

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:                    )  
  )  
FORREST GRANVILLE BRUNER )  
  )  
  RESPONDENT )

ADMINISTRATIVE ORDER  
NO. CO-2002-0022

CONSENT ORDER

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act, upon due consideration of the subject matter hereof, has determined as follows:

RESPONDENT

1. FORREST GRANVILLE BRUNER (RESPONDENT) was a registered securities agent in Alabama from September 1996 to August 2001. During all times relevant to this complaint and or allegation RESPONDENT was employed by Prudential Securities Inc. in the Huntsville, Alabama office. RESPONDENT'S last listed address is 2502 Lucretia Avenue, Huntsville, Alabama 35810.

STATEMENT OF FACTS

2. The Commission received information from two Alabama residents who stated that the RESPONDENT had conducted a series of unauthorized transactions involving the purchase of stock in their Prudential Securities accounts. The complainant also alleges that the RESPONDENT, in direct conflict with her investment objectives (income only) placed her in unsuitable investments (high risk stocks). The

RESPONDENT in a statement to Prudential Securities stated that he had a verbal understanding with the complainants that he could make trades on their behalf without pre-approval

3. In a memorandum dated May 21, 2001, RESPONDENT'S supervisor, Bradford L. Flowers stated that the RESPONDENT confessed to not getting authorization for purchasing Open Market stock in a client's account. Flowers also states he contacted other clients and was led to believe that the RESPONDENT has a pattern of making unauthorized trades.

4. A CRD inquiry revealed three separate complaints have been filed against the RESPONDENT for unauthorized trading and unsuitability. All complaints are in arbitration at this time.

5. A further inquiry with Prudential Securities revealed that the RESPONDENT was allowed to resign on July 24, 2001, after an internal investigation concluded that the allegations were true.

6. In September of 2001, the RESPONDENT became employed by Acument Securities Inc. RESPONDENT's registration as a securities agent in the State of Alabama is pending with registration at this time.

7. On October 15, 2002, the RESPONDENT was issued a Show Cause Order which he received and receipted for by Registered Mail on October 22, 2002.

8. On June 30, 2003, an informal hearing was held in regard to the above referenced Show Cause Order, and after its conclusion, all parties agree that the matter should be settled by the entry of this Consent Order.

## CONCLUSIONS OF LAW

9. Pursuant to the provisions of Title 8 Chapter 6 Section 3 (j) (6), Code of Alabama 1975, the Commission may suspend, revoke, censor or bar any registrant from employment with a securities dealer if the Commission finds that the Order is in the public interest, and that the registrant has violated or failed to comply with any provision of the Alabama Securities Act, or any rule or order issued by the Commission.

10. RESPONDENT has violated the provisions of Title 8, Chapter 6, Section 3 (j) (7), Code of Alabama 1975 by engaging in dishonest or unethical practices, to wit: executing unauthorized transactions in the account of an Alabama resident without authorization, written or otherwise, from the client.

11. RESPONDENT has violated Rule 830-X3-.12 by purchasing securities (high risk stock) for a client which were contrary to the investment objectives of the client that were income only.

WHEREAS, BRUNER has voluntarily agreed to waive all rights to a hearing upon entry of this Order and has consented to the entry of this Order, and

WHEREAS, the Commission finds this Order necessary and appropriate in the public interest for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act, and

WHEREAS, the Commission and BRUNER are desirous of settling this matter as hereafter set forth and agree to the entry of this Order,

**ACCORDINGLY, IT IS HEREBY ORDERED:**

1. That BRUNER be **BARRED** from registration or engaging in securities activities into, within or from the state of Alabama for a period of two (2) years. This two year bar period is retroactive to January 1, 2003.

2. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, BRUNER shall pay to the State of Alabama an administrative assessment of Twenty Five Hundred Dollars (\$2,500.00), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

3. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, BRUNER shall pay to the Alabama Securities Commission, as partial reimbursement for the Commission's cost for investigating the matter, the sum of Twenty Five Hundred Dollars (\$2,500.00) said funds to be tendered in certified funds contemporaneously with the ~~entry~~ of this Order.

4. That the entry of this Order resolves the Show Cause (SC-2002-0022) ~~issued October~~ 15, 2002 and Order to Bar (OB-2002-0022) issued January 29, 2003.

APPROVED AND CONSENTED to on date indicated:

RESPONDENT  
FORREST GRANVILLE BRUNER

BY: *F. Bruner*  
DATE: 3/15/04

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APPROVED AND AGREED this 15 day of MARCH, 2004.



ALABAMA SECURITIES COMMISSION  
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BY:

*Joseph P. Borg*  
JOSEPH P. BORG  
Director